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Holistic Health Solutions Business Plan

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Holistic Health Solutions
Business Plan

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The University of Tennessee, Knoxville

Global Leadership Scholars

Advisor: Lynn Youngs

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Executive Summary

Introduction

At Holistic Health Solutions, dieting is not part of our vocabulary. We believe in a positive, holistic approach to health that incorporates fitness, nutrition, and lifestyle changes. The health and wellness industry is growing rapidly as individuals become eager to reap the benefits of a healthier lifestyle. An abundance of research has found correlations between wellness, worker productivity, happiness, and life expectancy. However, starting the journey towards a healthier lifestyle is difficult and even harmful without the correct resources. For example, many popular diets and fitness regimens can actually cause more harm than good and only produce short-term results, leaving individuals frustrated and discouraged.

Holistic Health Solutions solves this problem in the East Tennessee area by offering superior, personalized, and convenient health coaching to our clients. Our experienced coaches emphasize the importance of maintaining a feasible fitness regimen, having a balanced nutritional plan, and developing behaviors that will produce long-term results enabling our clients to live happier and healthier lives.

Ownership/Management

Holistic Health Solutions will be structured as a limited liability company in the state of Tennessee. The company will be managed by its CEO and owner who will conduct key business functions, act as the company's first business coach, and develop its coaching curriculum. Upon expansion, additional coaches will be hired and directors promoted to handle day-to-day coaching activities.

Services

Holistic Health Solutions acts as the one-stop resource for all of our client's health and wellness needs. Clients will receive a personalized fitness and nutrition plan as well as coaching in successful goal setting, stress and time management, and long-term lifestyle changes. We offer the following memberships to meet our client's unique needs.

Regular – monthly meetings with health coaches, mobile application access, one group session each month, and 24/7 coach access

Premium – bi-weekly meetings with health coaches, unlimited group sessions each month, mobile application access, 24/7 coach access, exclusive discounts

Business – one-on-one coaching on-site, group sessions, mobile application access, 24/7 coach access

Market

In the midst of a booming health and wellness industry, Tennessee is one of the unhealthiest states in the US. Holistic Health Solutions will be based out of Knoxville, Tennessee, a city with a strong community and relatively unsaturated market. We will target middle to high income household and business professionals as well as the many local businesses located in the area.

Financing Considerations

In addition to an owner's investment of \$5,000, Holistic Health Solutions is looking for an investment of \$20,000 during Month 1 of operations for mobile application and website development. Holistic Health Solutions expects to make a positive net income during Month 2, Year 1, and will have generated enough positive cash flows to cover growth and expansion in Years 3 through 5.

Industry Description and Analysis

The Global Wellness Institute defines wellness as “a state of complete physical, mental, and social well-being,” and/or “the active pursuit of activities, choices, and lifestyles that lead to a state of holistic health.” In 2015, the global wellness industry was estimated to be a \$3.7 trillion market and expected to grow 17% in the next five years (Global Wellness Institute). The industry is comprised of ten segments (see Figure 1).

Figure 1. Segmentation of the Global Wellness Industry



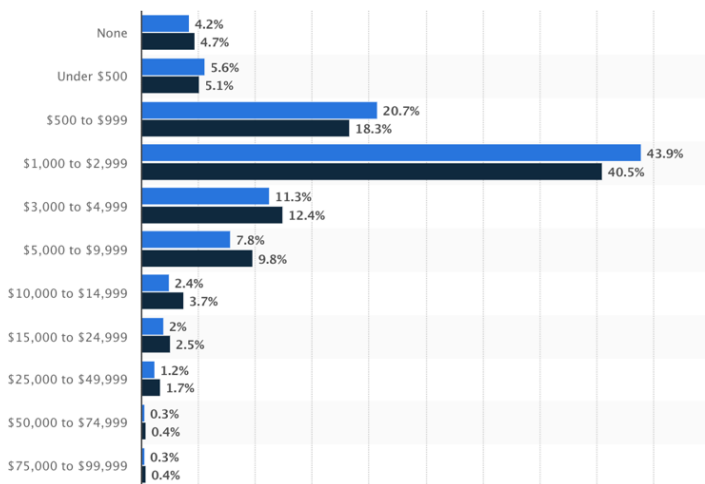
Source: Global Wellness Institute

Within the global wellness industry, Holistic Health Solutions is focused on the following three segments that combined made up a \$1,233B industry in 2015.

1. Healthy eating, nutrition, and weight loss (\$648B)
2. Fitness and Mind-Body (\$542B)
3. Workplace Wellness (\$43B)

In the US, the total retail value of the health and wellness market was \$168B, a 7% increase since 2012 (Euromonitor). Furthermore, 43.9% percent of households with an annual income of 125,000 U.S. dollars or more spent \$1,000 to \$2,999 U.S. dollars on personal care and wellness in 2017 (see Figure 2). The Global Wellness Institute estimates that the US is the largest market for health and wellness services.

Figure 2. Expenditure of Affluent US Households on Personal Care and Wellness



Source: Ipsos

Additionally, more and more employers are realizing the importance of workplace wellness, and the long-term financial implications of having a healthy workforce. The Global Wellness Institute estimates that “the costs of chronic disease, work-related injuries and illnesses, stress, and employee disengagement amount to more than \$2.2 trillion each year or 12 percent of GDP.” Currently, the workplace wellness market is worth approximately \$40.7 billion globally, with expectations to grow. Yet, workplace wellness programs only cover less than 9 percent of the global workforce. In 2017, revenue from the corporate wellness service industry was \$8.2 billion and is expected to be around \$11.3 billion by 2021 (IBISWorld).

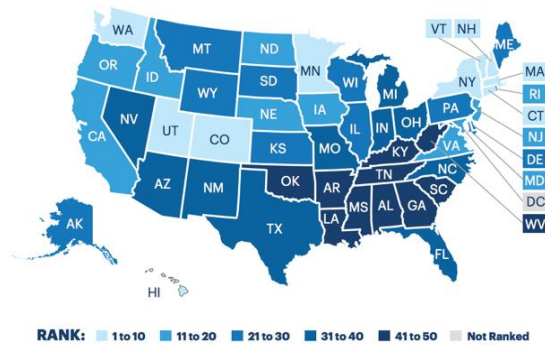
Holistic Health Solutions hopes to capitalize on the growth within the wellness industry. Much of industry growth can be attributed to increased awareness about the long-term benefits of a healthier lifestyle. According to the National Center for Health Statistics, there was more than a 40% increase in adults who received a recommendation for physical activity from a physician or other health professional from 2000-2010. Awareness has also spread because of technological advances. Social media has given rise to online fitness platforms and search engines like google make information about health more readily available. This readily available information, however, can also be harmful as it increases the harmful effects of fad diets, food and fitness trends, and inaccurate information.

Market Description and Analysis

Overview

The market for health services such as Holistic Health Solutions is growing as awareness reaches staggeringly high numbers of unhealthy Americans. Currently, more than one-third of adults in the United States have obesity with the South having the highest obesity rate of any region at 32.2% (Centers for Disease Control and Prevention). According to United Health Foundation, Tennessee was ranked the 45th unhealthiest state. As you can see in Figure 3, Tennessee and its neighboring states all ranked in the top 10 unhealthiest states in 2017. In Knox County, Tennessee, 32.9% of adults were overweight in 2015 (Knox County Health Department). These factors, combined with Knoxville's healthy community and abundance of local businesses, make it a great location for Holistic Health Solutions to operate.

Figure 3. Unhealthiest States in the US by Rank in 2017



Source: United Health Foundation

Target Market

Holistic Health Solutions will target adults aged 25-60 in Knoxville and the surrounding areas. We will target this age group because adults aged 45-54 have the highest obesity rates (Centers for Disease Control and Prevention), and we believe young adults have the most to benefit long-term from Holistic Health's services. We will target individuals with a household income of \$70,000 and higher. Flexible coaching appointment times and convenient downtown location make Holistic Health an ideal option for business professionals. Additionally, we will target Knox County businesses, both small and large, who want to implement a workplace wellness program.

Direct Competitors

Within the Knoxville community, there is no single key competitor; however, there are several smaller competitors within the market. Self-employed personal trainers, nutritionists, health coaches and consultants are the largest direct competitors because they offer services that overlap with Holistic Health's offerings. Larger fitness clubs such as Fort Sanders Health and Fitness Center and National Fitness Center will also be competitors since they offer additional,

specialty amenities to members including spa services, smoothie bars, and tanning. Also, some businesses in the area already offer health services to their employees featuring amenities such as a gym and an in-house personal trainer and nutritionist.

Indirect Competition

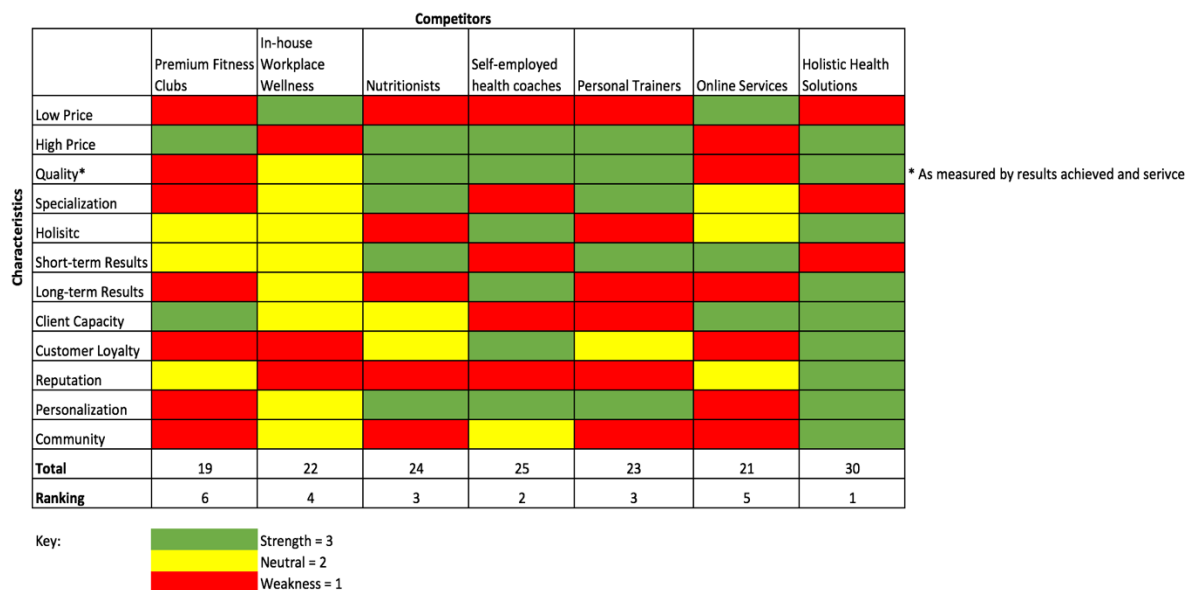
Our major indirect competitors will be online wellness services and smart phone applications that have become increasingly popular including MyFitnessPal and Sweat with Kayla.

Additionally, built-in smart phone applications and wearable technology such as Fitbits and Apple Watches have made it easier for people to automatically track their everyday fitness and could potentially deter them from seeking out additional health services.

Competitive Strengths

Holistic Health Solutions has many competitive strengths and we believe in our ability to become the top competitor in our market. The following matrix summarizes Holistic Health Solution’s competitive strengths compared to our competitors.

Figure 4. Competitive Matrix



Holistic Health Solutions will compete due to our holistic approach and expertise in nutrition, fitness, and long-term lifestyle changes. Nutritionists and personal trainers specialize in one area, which is ineffective in the long-term. Furthermore, it is more expensive to hire both a separate nutritionist and personal trainer, which would also likely result in two, non-synchronized plans. Additionally, our services will be highly personalized compared to large fitness clubs who have upper-hundreds of members. The client-coach relationship will be at the core of what we do, which is a feature unavailable when using an online fitness platform. This client-coach relationship will increase our customer loyalty and increase accountability, which will in turn improve our clients results. Holistic Health Solutions will also compete by offering a community to our clients where they can share in each other's journeys to a healthier lifestyle. Currently, none of our competitors are creating this type of atmosphere, but Holistic Health Solutions believes it will be extremely beneficial for our client's long-term results.

Two of the company's greatest competitive strengths will be our brand, characterized by a strong reputation within the community, and client capacity. Unlike the many self-employed individuals in the market, we will have the capacity to take on over 200 clients by the end of Year 4. As we gain clients, our reputation as the superior health coaching business in Knoxville will grow. This strong brand reputation will also attract the best and most experienced health coaches who will benefit from coaching under the Holistic Health Solution's name. Quality, as measured by results achieved by clients and service, is another strength. We will outcompete online services and premium fitness clubs that offer a lower-quality service. And although there is some uncertainty concerning in-house workplace wellness programs already in place at local businesses, Holistic Health Solutions is confident in its ability to create a superior workplace wellness program.

Business Description

Overview

Though the industry is growing and many individuals want to have a healthier lifestyle, starting the journey towards a healthier lifestyle is difficult. Many turn to friends, family, and the internet for advice, which can be dangerous. Popular fad diets and fitness challenges are often more harmful than they are beneficial. Additionally, many fitness plans and diets only produce short-term results, leaving individuals frustrated and discouraged.

Each individual that walks through Holistic Health Solution's door has a different body type, personality, career, family-life, etc., and all of these unique factors play important roles in developing that person's health plan. Coaches at Holistic Health Solutions will spend valuable one-on-one time with each client to recognize their unique health needs and incorporate those needs into our proven health coaching model. With the help of experienced coaches, up-to-date industry research, and a supportive community, all of the clients at Holistic Health Solutions are capable of meeting their long-term goals.

Services

Holistic Health Solutions will offer three different membership packages to our clients. The first package is for our Regular clients. This Regular Membership will include monthly meetings with health coaches, access to our mobile application to log progress, one group session each month, and 24/7 access to our coaches via email, phone, text, etc. The second option is our Premium Membership, which includes bi-weekly meetings with health coaches, unlimited group sessions each month, access to our mobile application to log progress, 24/7 access to our coaches via

email, phone, text, etc., and exclusive discounts at participating health food stores, athletic apparel stores, and specialty gym services.

Lastly, we will offer a Business Membership to local businesses looking to implement a workplace wellness program. Our workplace wellness team will work with businesses to integrate our coaching curriculum into the workplace and provide exclusive workshops to its employees. Just like our regular and premium clients, business members will have access to our mobile application to log progress and will meet with coaches one-on-one monthly at the business location.

Pricing Strategy

During Year 1 and Year 2, Holistic Health will only offer our Regular membership. Initially, we will price this service at a discount (\$150 per month in Year 1 and \$250 per month in Year 2) in order to attract initial clients and build our reputation. In Year 3, we will begin offering our Premium and Business Memberships in addition to our Regular Membership package. Our clients will pay a quarterly rate of \$900 for our Regular Membership (no price increase from Year 2) and \$1,100 for our Premium Membership. Pricing for our business clients will vary depending on company size and number of employees, but will range from \$5,000 to \$7,000. We estimate that by Year 5, on average, our business clients will pay a quarterly rate of \$6,500.

Prices for health coaching vary greatly within the industry. According to healthcoachsolutions.net, new coaches may charge around \$50-\$75 per session, but some coaches may charge upwards of \$1,200 - \$2,400 for a membership package (usually three to six months). In the first five years, Holistic Health Solutions will price our services conservatively. We expect to gradually raise prices as the company grows and our reputation as a superior service solidifies. The cornerstone

of our pricing strategy, however, is to price our services as high as we value the quality of our service. We believe that in the long-run, our clients will be willing to pay a premium price for our coaching. Additionally, our prices will be a tool to convince clients of the superiority of Holistic Health Solution's coaching compared to other, less-expensive alternatives.

Strategic Partnerships

Key business relationships will be with health food stores, fitness facilities, grocery stores, athletic apparel, and doctor's offices. Holistic Health Solutions will use these mutually beneficial relationships to attract new clients and help form a more connected wellness community in Knoxville. For example, Holistic Health may ask a local cycling bar to post an advertisement about our service, and Holistic Health Solutions may recommend a client to the cycle bar as part of his/her fitness plan. Additionally, as part of the Premium Membership, we will work with our partners to offer discounts to our clients. In return for discounts, our partners will receive increased foot traffic and new clients.

Employee Compensation and Retention

As a coaching business, people are our biggest asset; therefore, attracting and retaining quality employees will be a top priority. To become a Holistic Health Solutions coach, one must possess certain industry certifications and have prior experience in a related field. We believe in our ability to attract the highest quality employees because of our strong brand name. Holistic Health Solutions will offer our coaches a greater presence and brand awareness within the community. And, although employees are responsible for attracting their own clients, marketing expenses do not come out of our employees own pockets (unlike self-employed health coaches). In fact,

Holistic Health Solutions hopes to bring some of the existing health coaches in the area under our umbrella.

During Years 1 and 2, coaches will be paid off of commission due to the part-time nature of the business. Moving forward, compensation will be a mix of a set monthly salary, plus commission. The commission assures us that coaches will remain highly incentivized to actively sign on new clients. Directors will be paid a higher flat rate than regular coaches due to the added responsibility of managing his/her respective teams. Additionally, regular coaches have the opportunity to make a bonus if promoted to the position Head of Research or Head of Group Coaching.

Holistic Health Solutions will carry the risk that our employees may leave to start a competing business or become a self-employed health coach. Though our opportunities for advancement within Holistic Health Solutions and our strong brand awareness within the community lead us to believe we will have a high employee retention rate, steps will be taken to dissuade coaches from leaving the company and to safeguard against any negative consequences that may occur if a coach chooses to leave. Each coach will be asked to sign a non-compete agreement. This agreement will ensure that coaches will not start a competing company within the same county and will not bring his/her clients with them until the client's current membership has expired.

In Year 5 of operations, Holistic Health Solutions will hire an in-house marketing coordinator, human resources manager, and accountant. These employees will make a set monthly salary of \$50,000 per year. Additionally, a manager for each branch will also be hired during Year 5 at a starting salary of \$60,000.

Marketing and Retention Strategy

Holistic Health Solutions must consistently market the company in order to bring on new clients. In Year 1, we will rely on word of mouth marketing from family, friends, and clients. In the second year, marketing will be a priority as we try to expand our client base. We will create and distribute fliers, attend trade shows, and develop a social media presence. An important element of our marketing strategy is to lever our strategic partnerships. Through our partners, we can advertise in locations with higher numbers of potential clients. Additionally, each potential will receive a free initial consultation in order to sell him/her on the quality of our service going forward.

Retaining existing clients is also important to Holistic Health Solutions. For this reason, client relations is considered a key business function and each coach will allocate a significant amount of time maintaining relationships with his/her clients (see Appendix Item 1 for a percentage breakdown of time allocated to this function). A client relations expense will be realized each month for charges such as client lunches. By actively engaging with our clients and maintaining strong relationships with them, we hope to have a retention rate of 95%.

Business Structure and Operations

Structure

Holistic Health will be setup as a limited liability corporation in Tennessee. This structure will ensure the limited liability of the CEO/Owner and guarantee an appealing tax flexibility for the company. Additionally, it will ensure the continuation of operations if the owner chooses to sell the company.

Operations

The following four phases (Experience, Reputation, Growth, Expansion) have been identified to highlight changes in operational strategy during the first five years of business. Operations in the four distinct phases are described below and Figure 5 provides a brief summary of all four phases.

Figure 5. Summary Phases 1 - 4

		Phase			
		Experience	Reputation	Growth	Expansion
Key Characteristics	Part/Full time	Part-time	Part-time	Full-time	Full-time
	Phase Length	1 Year	1 Year	2 Years	5+
	# Coaches	1	3	7	12+
	# Clients	15	46	200+	300+
	# Offices	0	0	1	2+

Experience Phase

This phase is vital for the initial success of the Holistic Health Solutions because experience is essential for Holistic Health's reputation and the company must have experienced coaches to compete in the market. During this phase, the CEO/Owner will take on up to fifteen clients. An office will not be needed during this time. The CEO/Owner will travel to her client's home or his/her meeting place of choice for monthly coaching appointments.

The CEO/Owner will also work towards her certifications necessary to excel in the coaching industry. All of the following certifications are NCCA accredited and will be completed by Month 12, Year 1.

- Certified corporate wellness specialist
- ACE personal training
- ACE health coaching
- ACE fitness nutrition

In addition to coaching and taking certification courses, the CEO/Owner will handle all marketing, accounting, human resources, and client relations at this time. Coaching, which includes developing Holistic Health Solution's coaching curriculum, will be the most time consuming function in this phase. Besides coaching, the CEO/Owner will spend about one-third of her time marketing the business and developing client relationships.

Reputation Phase

The success of this phase rests on Holistic Health Solution's ability to attract quality employees, create and implement an effective marketing strategy, and expand its client base. Holistic Health Solutions will hire two additional part-time health coaches. The health coaches hired will be paid on commission percentage of 75% to incentivize them to attract and retain new clients. Health coaches will be hired based on quality of education, certifications achieved, and experience in the field. Coaches at Holistic Health Solutions will be required to follow the coaching model developed by the CEO/Owner, which will be reviewed and updated on a quarterly basis to incorporate new research and trends.

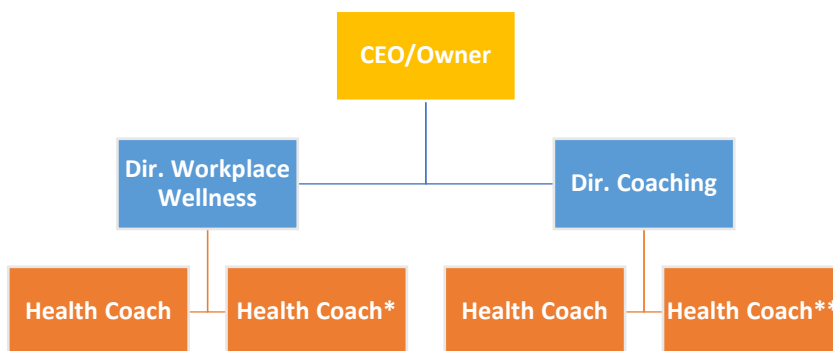
Part-time health coaches will be responsible for setting up coaching appointments with clients and travelling to mutually agreed upon locations to discuss plans on a monthly basis. Though coaching sessions are monthly, Holistic Health Solutions coaches are also responsible for building relationships with clients and tracking their progress by checking our mobile applications and by connecting via phone, text, email, or skype on a regular basis. The staff will meet bi-weekly to update one-another on client progress, update the coaching material, and discuss trends in the wellness industry.

The CEO/Owner will cap her number of clients at fifteen in order to oversee client relations and manage marketing, accounting, and human resources. Marketing will be the second-most time consuming function in this phase. The CEO/Owner will develop marketing materials including a website, social media pages, and physical materials such as fliers and business cards. As a team, Holistic Health Solutions will attend trade shows and begin networking with other local health-related businesses to form strategic partnerships previously discussed. See Appendix Item 1 for a percentage breakdown of key functions during the Reputation Phase.

Growth Phase

At the beginning of the Growth Phase, Holistic Health Solutions will become a full-time operation and will move into our Downtown Knoxville location. Staffing will be completed resulting in a total staff of seven including the CEO/Owner, two directors, and four coaches (See Figure 6 for the complete organizational chart). Three staff members will be dedicated to regular and premium clients while our three workplace wellness staff will split time between business, regular, and premium clients.

Figure 6. Company Organizational Chart, Growth Phase



* Head of Group Coaching

** Head of Research

The Director of Workplace Wellness and Director of Coaching will be in charge of overseeing day-to-day operations for their individual teams, in addition to coaching his/her clients. The workplace wellness team will be in charge of developing Holistic Health Solution's coaching curriculum for local businesses and will begin taking on business clients during Quarter 2, Year 3. Additionally, the Head of Research will be in charge of staying up-to-date with industry research and relaying important information to other team members. Meanwhile, the Head of Group Coaching will be in charge of developing Holistic Health Solution's group coaching sessions, coordinating the group coaching schedule with other coaches, and updating the schedule on the website.

Coaches will be required to schedule their own appointments and can be flexible in appointment times and working hours. For example, if many of their clients are only available after regular working hours, the coach may opt for a 11AM – 7PM working day compared to a typical 9AM – 5PM. On average, each member of our coaching team has the capacity to see 40-60 regular/premium clients per month while each member of our workplace wellness team could see

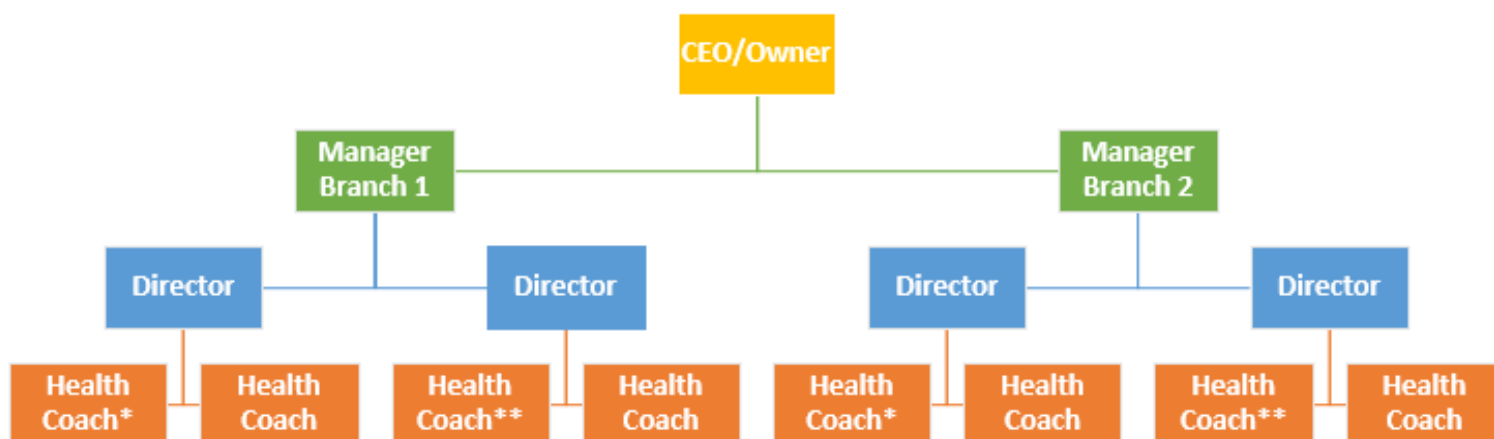
20-30 regular/premium clients per month. Additionally, on a rotating basis, coaches will lead weekend group coaching sessions on different topics such as stress management and goal setting. By the end of the Growth Phase, the Knoxville office should be operating near maximum client capacity.

The CEO/Owner will transfer all her clients to other coaches during this phase to focus on the key functions of marketing, accounting, human resources, and client relations. On a day-to-day basis, each coach will split his/her time between coaching and client relations. Coaches may occasionally be asked to assist in marketing efforts such as attending trade shows or meeting with the company's strategic partners. See Appendix Item 1 for a percentage breakdown of time spent on each key function during this phase.

Expansion Phase

With the Knoxville office operating at full capacity, Holistic Health Solutions will look towards expansion opportunities. Another office will be opened in Chattanooga and/or Nashville in Year 5 and additional locations in the years following. A branch manager will be appointed at the Knoxville branch and all new branches to oversee all day-to-day operations. Meanwhile, the CEO/Owner will move to the new branch(s) to set up operations. Once the new branch in Year 5 is operational, the company will be organized like Figure 7.

Figure 7. Company Organizational Chart, Expansion Phase



* Head of Research

** Head of Group Coaching

At each new branch, operations will be conducted similar to the original model. There will be a team of health coaches focused solely on regular and premium clients and a team in charge of business, regular, and premium clients.

In-house marketing, accounting and human resources personnel will be hired out of the Knoxville office during this time such that the CEO/Owner can focus on expansion opportunities. As the business becomes more complex, the percentage of time spent coaching decreases and the percentage of time on other key functions will increase. See Appendix Item 1 for a percentage breakdown of key functions during the Expansion Phase.

Financial Analysis

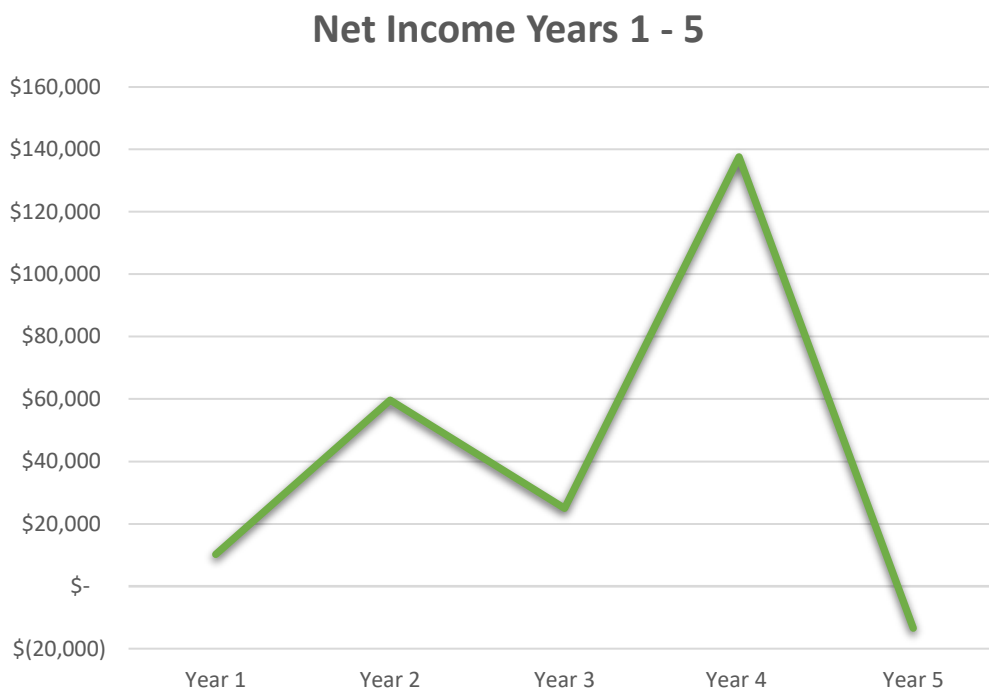
Overview

Holistic Health Solutions will receive its income solely from membership fees received at the beginning of the month in Year 1-2 and quarterly from Year 3 and onward. Because Holistic Health Solutions is a coaching service, there is a low cost of capital and few variable expenses resulting in a clean balance sheet and strong cash flows. During initial periods of growth and expansion, net income will go negative; however, the company will have enough cash on hand to operate without additional outside investments. Initially, the CEO/Owner will invest \$5,000 into the company and will seek an additional investment of \$20,000 to cover website and mobile application development.

Income Statement

Holistic Health Solutions will have a positive net income in Month 2, Year 1. Due to the simple, part-time nature of the business, there are low fixed and variable expenses during the first two years of operation. However, net income goes negative again in Quarter 1, Year 3 after taking the business full-time, hiring more employees, and moving into an office space. Monthly expenses nearly triple at this time. However, with new regular clients growing at 12%, new prime clients growing at a 15%, and introducing the workplace wellness programs, the company is able to realize a small positive net income in Quarter 2, Year 3. Net income will continue to grow up until the Expansion Phase begins in Year 5. As you can see in Figure 8, there is a sharp drop in net income during Year 5 when the company expands to an additional location and hires in-house accounting, marketing, and human resources personnel. We expect net income to return positive after Year 5.

Figure 8. Net Income Years 1 – 5



Balance Sheet

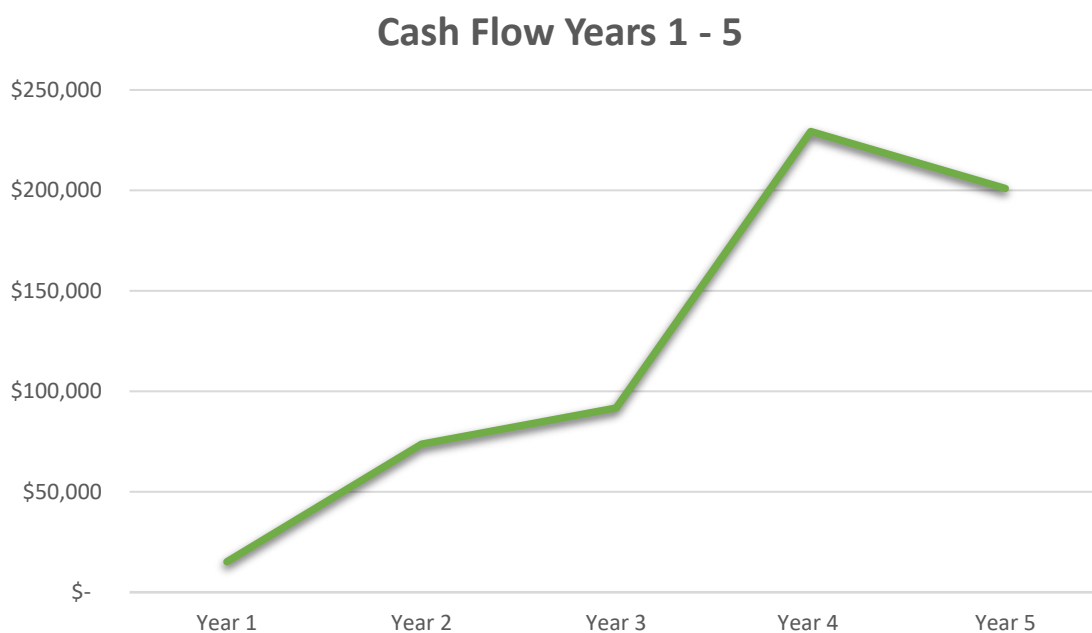
As a coaching service that requires little PPE, Holistic Health Solutions is able to maintain a clean balance sheet. In Month 1, Year 1, the company will search for an investment of \$20,000 in addition to the \$5,000 investment from the owner. The \$5,000 will cover important health industry certifications while the \$20,000 will be used for mobile application and website development. By the end of Year 4, Holistic Health Solutions expects to have total assets of \$257,350 with no current or long-term liabilities. Owner's equity will increase consistently as retained earnings increase up until a slight decrease in Year 5.

Cash Flows

Holistic Health Solution's ability to generate positive cash flows relies greatly on the business's ability to attract and retain new clients and maintain a low level of PPE. That being said, the

company is confident in its ability to grow its client base quickly in order to cover phases of growth and expansion. PPE investments are expected periodically as more coaches and employees are hired and a larger PPE investment will occur in Year 5 when the business expands to a second location. The positive cash flow generated in the first two years will help the company fund the transition into full-time and an office space in Quarter 1, Year 3 and the sharp increase in cash during Years 3 and 4 (see Figure 9) will help offset the decrease in net income in Year 5.

Figure 9. Cash Flow Years 1 – 5

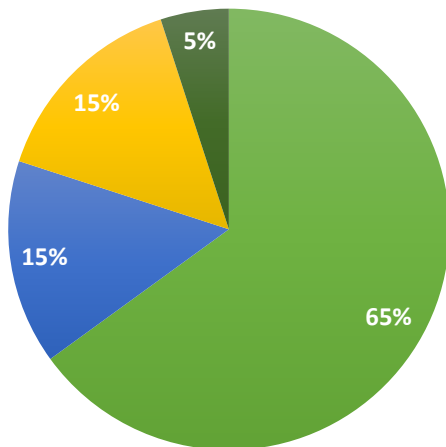


Please see the Appendix Items 2 – 10 for the detailed income statements, balance sheets, and statement of cash flows for Years 1 – 5.

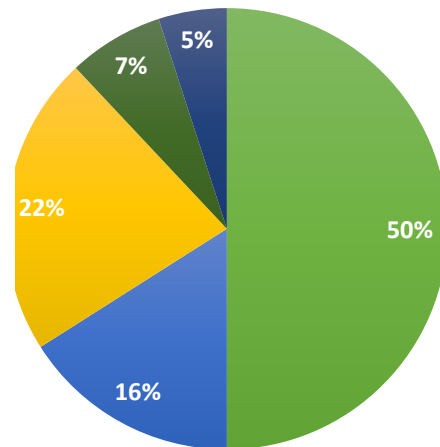
Appendix

Item 1. Key Function % Breakdown by Phase

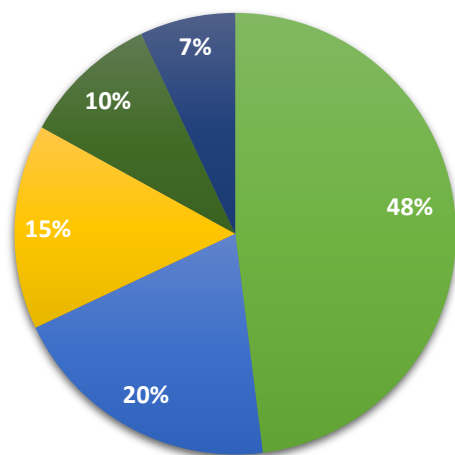
Experience Phase



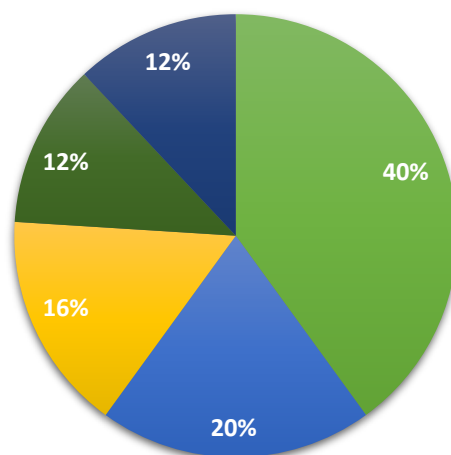
Reputation Phase



Growth Phase



Expansion Phase



■ Coaching ■ Client Relations ■ Marketing ■ Accounting ■ Human resources

Item 2. Income Statement Year 1

Year 1													
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	End Year 1
Revenue													
Clients	8	8	9	10	10	11	11	12	13	14	14	15	15
Price/Month	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150	\$ 150
Total Coaching Revenue	\$ 1,200	\$ 1,272	\$ 1,348	\$ 1,429	\$ 1,515	\$ 1,606	\$ 1,702	\$ 1,804	\$ 1,913	\$ 2,027	\$ 2,149	\$ 2,278	\$ 20,244
Expenses													
Operating Expenses	\$ (100)	\$ (103)	\$ (106)	\$ (109)	\$ (113)	\$ (116)	\$ (119)	\$ (123)	\$ (127)	\$ (130)	\$ (134)	\$ (138)	\$ (1,419)
Gas	\$ (100)	\$ (106)	\$ (112)	\$ (119)	\$ (126)	\$ (134)	\$ (142)	\$ (150)	\$ (159)	\$ (169)	\$ (179)	\$ (190)	\$ (1,687)
Total Operating Expenses	\$ (200)	\$ (209)	\$ (218)	\$ (228)	\$ (239)	\$ (250)	\$ (261)	\$ (273)	\$ (286)	\$ (299)	\$ (313)	\$ (328)	\$ (3,106)
Other Expenses	\$ (2,795)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,795)
Client Relations	\$ (200)	\$ (212)	\$ (225)	\$ (238)	\$ (252)	\$ (268)	\$ (284)	\$ (301)	\$ (319)	\$ (338)	\$ (358)	\$ (379.66)	\$ (3,374)
Total Expenses	\$ (3,195)	\$ (421)	\$ (443)	\$ (467)	\$ (491)	\$ (517)	\$ (545)	\$ (574)	\$ (605)	\$ (637)	\$ (672)	\$ (708)	\$ (9,275)
Income before tax	\$ (1,795)	\$ 1,063	\$ 1,130	\$ 1,201	\$ 1,276	\$ 1,356	\$ 1,441	\$ 1,531	\$ 1,627	\$ 1,728	\$ 1,886	\$ 1,950	\$ 14,343
Cumulative Net Income	\$ (1,795)	\$ (732)	\$ 398	\$ 1,599	\$ 2,875	\$ 4,231	\$ 5,672	\$ 7,203	\$ 8,830	\$ 10,557	\$ 12,393	\$ 14,343	
Income tax expense	\$ -	\$ -	\$ (105)	\$ (330)	\$ (351)	\$ (373)	\$ (396)	\$ (421)	\$ (447)	\$ (475)	\$ (505)	\$ (536)	\$ (3,940)
Net Income	\$ (1,795)	\$ 1,063	\$ 1,235	\$ 1,531	\$ 1,627	\$ 1,729	\$ 1,837	\$ 1,952	\$ 2,074	\$ 2,203	\$ 2,340	\$ 2,486	\$ 18,283
Personnel													
CEO	1	1	1	1	1	1	1	1	1	1	1	1	1
Directors	0	0	0	0	0	0	0	0	0	0	0	0	0
Coaches	0	0	0	0	0	0	0	0	0	0	0	0	0
Clients													
Existing	0	8	8	9	10	10	11	11	12	13	14	14	15
New	8	0	2	1	0	2	0	2	2	1	2	2	0
Lost	0	0	-1	0	0	-1	0	-1	-1	0	-2	-1	0
Ending	8	8	9	10	10	11	11	12	13	14	14	15	15

Assumptions:	
New Client Rate	0.06
CEO Salary/Month	\$ -
Supply Growth	0.03
Income Tax	0.275

Item 3. Income Statement Year 2

	Year 2												
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	End Year 2
Revenue													
Clients	25	27	29	31	33	35	38	40	43	46	49	53	53
Price/Month	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250	\$ 250
Total Coaching Revenue	\$ 6,250	\$ 6,688	\$ 7,156	\$ 7,657	\$ 8,192	\$ 8,766	\$ 9,380	\$ 10,036	\$ 10,739	\$ 11,490	\$ 12,295	\$ 13,155	\$ 111,803
Expenses													
Operating Expenses	\$ (1,875)	\$ (2,203)	\$ (2,554)	\$ (2,930)	\$ (3,332)	\$ (3,762)	\$ (4,222)	\$ (4,715)	\$ (5,241)	\$ (5,805)	\$ (6,409)	\$ (7,054)	\$ (50,102)
Supplies	\$ (343)	\$ (353)	\$ (363)	\$ (374)	\$ (386)	\$ (397)	\$ (409)	\$ (421)	\$ (434)	\$ (447)	\$ (460)	\$ (474)	\$ (4,862)
Marketing	\$ (2,000)	\$ (300)	\$ (300)	\$ (300)	\$ (300)	\$ (300)	\$ (300)	\$ (300)	\$ (300)	\$ (300)	\$ (300)	\$ (300)	\$ (5,300)
Gas	\$ (400)	\$ (400)	\$ (400)	\$ (400)	\$ (400)	\$ (400)	\$ (400)	\$ (400)	\$ (400)	\$ (400)	\$ (400)	\$ (400)	\$ (4,800)
Total Operating Expenses	\$ (4,618)	\$ (3,256)	\$ (3,618)	\$ (4,004)	\$ (4,417)	\$ (4,859)	\$ (5,331)	\$ (5,836)	\$ (6,375)	\$ (6,952)	\$ (7,569)	\$ (8,228)	\$ (65,064)
Other Expenses	\$ (500)	\$ (515)	\$ (530)	\$ (546)	\$ (563)	\$ (580)	\$ (597)	\$ (615)	\$ (633)	\$ (652)	\$ (672)	\$ (692)	\$ (7,096)
Total Expenses	\$ (5,118)	\$ (3,771)	\$ (4,148)	\$ (4,551)	\$ (4,980)	\$ (5,439)	\$ (5,928)	\$ (6,451)	\$ (7,009)	\$ (7,605)	\$ (8,241)	\$ (8,920)	\$ (72,160)
Income before tax	\$ 1,632	\$ 3,432	\$ 3,538	\$ 3,652	\$ 3,775	\$ 3,907	\$ 4,048	\$ 4,200	\$ 4,363	\$ 4,538	\$ 4,726	\$ 4,927	\$ 46,739
Cumulative Net Income	\$ 3,046	\$ 5,513	\$ 7,913	\$ 8,163	\$ 8,432	\$ 8,720	\$ 9,030	\$ 9,362	\$ 9,718	\$ 10,101	\$ 10,512	\$ 10,952	\$ 101,462
Income tax expense	\$ (449)	\$ (944)	\$ (973)	\$ (1,004)	\$ (1,038)	\$ (1,074)	\$ (1,113)	\$ (1,155)	\$ (1,200)	\$ (1,248)	\$ (1,300)	\$ (1,355)	\$ (12,853)
Net Income	\$ 2,081	\$ 4,375	\$ 4,511	\$ 4,657	\$ 4,813	\$ 4,981	\$ 5,162	\$ 5,355	\$ 5,563	\$ 5,786	\$ 6,025	\$ 6,282	\$ 59,592
Personnel													
CEO	1	1	1	1	1	1	1	1	1	1	1	1	1
Directors	0	0	0	0	0	0	0	0	0	0	0	0	0
Coaches	2	2	2	2	2	2	2	2	2	2	2	2	2
Clients													
Existing	15	25	27	29	31	33	35	38	40	43	46	49	53
New	15	3	3	3	4	4	4	5	5	5	5	6	6
Lost	-5	-1	-1	-1	-2	-2	-2	-2	-2	-2	-2	-2	0
Ending	25	27	29	31	33	35	38	40	43	46	49	53	53

Assumptions:	
Commission	0.75
CEO Clients	15
Supply Growth	0.03
New Client Rate	0.12
Lost Client Rate	0.05

Item 4. Income Statement Years 3-4

	Year 3				Year 4				Year 5						
	Q1	Q2	Q3	Q4	End Year 3	Q1	Q2	Q3	Q4	End Year 4	Q1	Q2	Q3	Q4	End Year 5
Revenue															
Regular Clients	67	91	98	105	105	105	112	120	128	137	137	137	137	137	212
Price/quarter	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900	\$ 900
Regular Revenue	\$ 59,959	\$ 82,156	\$ 87,907	\$ 94,061	\$ 94,061	\$ 94,061	\$ 100,645	\$ 107,690	\$ 115,228	\$ 123,294	\$ 123,294	\$ 123,294	\$ 123,294	\$ 123,294	\$ 762,766.42
Premium Clients	20	32	35	39	39	39	43	47	52	57	57	57	57	57	89
Price/quarter	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,100	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200
Premium Revenue	\$ 22,000	\$ 35,200	\$ 38,720	\$ 42,992	\$ 42,992	\$ 42,992	\$ 51,110	\$ 56,221	\$ 61,844	\$ 68,028	\$ 68,028	\$ 68,028	\$ 68,028	\$ 68,028	\$ 429,194.47
Business Clients	0	3	4	4	4	4	5	5	6	6	6	6	6	6	9
Price/quarter	\$ 0	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,500
Business Revenue	\$ -	\$ 15,000	\$ 18,000	\$ 21,600	\$ 21,600	\$ 21,600	\$ 31,104	\$ 29,770	\$ 35,724	\$ 35,082	\$ 35,082	\$ 35,082	\$ 35,082	\$ 35,082	\$ 230,022.21
Total Coaching Revenue	\$ 81,959	\$ 132,356	\$ 144,627	\$ 158,253	\$ 158,253	\$ 158,253	\$ 182,859	\$ 193,681	\$ 212,796	\$ 226,404	\$ 226,404	\$ 226,404	\$ 226,404	\$ 226,404	\$ 1,421,983
Expenses															
Operating Expenses															
CEO	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ (80,000)
Directors	\$ (32,500)	\$ (32,500)	\$ (32,500)	\$ (32,500)	\$ (32,500)	\$ (32,500)	\$ (32,500)	\$ (32,500)	\$ (32,500)	\$ (32,500)	\$ (32,500)	\$ (32,500)	\$ (32,500)	\$ (32,500)	\$ (260,000)
Coaches	\$ (25,000)	\$ (50,000)	\$ (50,000)	\$ (50,000)	\$ (50,000)	\$ (50,000)	\$ (50,000)	\$ (50,000)	\$ (50,000)	\$ (50,000)	\$ (50,000)	\$ (50,000)	\$ (50,000)	\$ (50,000)	\$ (400,000)
HR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (50,000)
Marketing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (50,000)
Accounting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (50,000)
Managers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (120,000)
Commissions	\$ (8,196)	\$ (13,236)	\$ (14,463)	\$ (15,825)	\$ (15,825)	\$ (15,825)	\$ (18,286)	\$ (19,368)	\$ (21,280)	\$ (22,640)	\$ (22,640)	\$ (22,640)	\$ (22,640)	\$ (22,640)	\$ (142,198)
Payroll tax	\$ (6,570)	\$ (9,574)	\$ (9,696)	\$ (9,833)	\$ (9,833)	\$ (9,833)	\$ (12,079)	\$ (12,187)	\$ (12,378)	\$ (12,514)	\$ (12,514)	\$ (12,514)	\$ (12,514)	\$ (12,514)	\$ (99,157)
Marketing expense	\$ (2,000)	\$ (2,000)	\$ (1,500)	\$ (1,500)	\$ (1,500)	\$ (1,500)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (1,000)	\$ (5,000)
R&D	\$ (250)	\$ (250)	\$ (250)	\$ (250)	\$ (250)	\$ (250)	\$ (250)	\$ (250)	\$ (250)	\$ (250)	\$ (250)	\$ (250)	\$ (250)	\$ (250)	\$ (3,000)
Supplies	\$ (1,000)	\$ (500)	\$ (510)	\$ (520)	\$ (520)	\$ (520)	\$ (531)	\$ (541)	\$ (552)	\$ (563)	\$ (563)	\$ (563)	\$ (563)	\$ (563)	\$ (4,000)
Insurance	\$ (1,650)	\$ (1,650)	\$ (1,650)	\$ (1,650)	\$ (1,650)	\$ (1,650)	\$ (1,650)	\$ (1,650)	\$ (1,650)	\$ (1,650)	\$ (1,650)	\$ (1,650)	\$ (1,650)	\$ (1,650)	\$ (13,200)
Internet	\$ (150)	\$ (150)	\$ (150)	\$ (150)	\$ (150)	\$ (150)	\$ (150)	\$ (150)	\$ (150)	\$ (150)	\$ (150)	\$ (150)	\$ (150)	\$ (150)	\$ (1,200)
Rent	\$ (15,050)	\$ (15,050)	\$ (15,050)	\$ (15,050)	\$ (15,050)	\$ (15,050)	\$ (15,050)	\$ (15,050)	\$ (15,050)	\$ (15,050)	\$ (15,050)	\$ (15,050)	\$ (15,050)	\$ (15,050)	\$ (124,200)
Utilities	\$ (300)	\$ (300)	\$ (300)	\$ (300)	\$ (300)	\$ (300)	\$ (300)	\$ (300)	\$ (300)	\$ (300)	\$ (300)	\$ (300)	\$ (300)	\$ (300)	\$ (2,400)
Total Operating Expenses	\$ (92,666)	\$ (125,209)	\$ (126,069)	\$ (127,578)	\$ (127,578)	\$ (127,578)	\$ (151,795)	\$ (152,996)	\$ (155,110)	\$ (156,618)	\$ (156,618)	\$ (156,618)	\$ (156,618)	\$ (156,618)	\$ (1,420,418)
Other Expenses	\$ (2,000)	\$ (2,000)	\$ (2,122)	\$ (2,185)	\$ (2,185)	\$ (2,185)	\$ (2,251)	\$ (2,319)	\$ (2,388)	\$ (2,460)	\$ (2,460)	\$ (2,460)	\$ (2,460)	\$ (2,460)	\$ (15,000)
Total Expenses	\$ (94,666)	\$ (127,209)	\$ (128,191)	\$ (129,763)	\$ (129,763)	\$ (129,763)	\$ (154,046)	\$ (155,315)	\$ (157,498)	\$ (159,077)	\$ (159,077)	\$ (159,077)	\$ (159,077)	\$ (159,077)	\$ (1,435,418)
Income before tax	\$ (12,706)	\$ 5,087	\$ 16,436	\$ 28,489	\$ 28,489	\$ 28,489	\$ 28,813	\$ 38,367	\$ 55,298	\$ 67,327	\$ 67,327	\$ 67,327	\$ 67,327	\$ 67,327	\$ (13,435)
Cumulative Net Income	\$ (1,754)	\$ (7,619)	\$ 21,524	\$ 40,406	\$ 52,556	\$ 49,468	\$ 59,256	\$ 83,114	\$ 107,418	\$ 174,745	\$ 174,745	\$ 174,745	\$ 174,745	\$ 174,745	\$ 35,377
Income tax expense	\$ -	\$ -	\$ (4,520)	\$ (7,835)	\$ (7,835)	\$ (7,835)	\$ (7,924)	\$ (10,551)	\$ (15,207)	\$ (18,515)	\$ (18,515)	\$ (18,515)	\$ (18,515)	\$ (18,515)	\$ -
Net income	\$ (12,706)	\$ 5,087	\$ 11,916	\$ 20,655	\$ 20,655	\$ 20,655	\$ 20,890	\$ 27,816	\$ 40,091	\$ 48,812	\$ 48,812	\$ 48,812	\$ 48,812	\$ 48,812	\$ (13,435)
Personnel															
CEO	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Directors	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Coaches	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
HR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Marketing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Accounting	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Managers	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Clients															
Existing Regular	53	67	91	98	98	105	105	112	120	128	137	137	137	137	137
New Regular	20	28	35	39	39	43	47	52	57	61	66	71	76	81	86
Lost Regular	-6	-3	-5	-5	-5	-5	-5	-6	-6	-6	-6	-6	-6	-6	-6
Total Regular	67	91	98	105	105	112	120	128	137	143	148	151	157	162	167
Existing Premium	0	20	32	35	39	39	43	47	52	57	61	66	71	76	81
New Premium	20	13	5	5	5	6	6	7	8	8	9	9	10	10	11
Lost Premium	0	-1	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2	-2
Total Premium	20	32	35	39	39	43	47	52	57	61	66	71	76	81	89
Existing Business	0	0	3	4	4	4	4	5	5	6	6	6	6	6	6
New Business	0	3	0	1	1	1	1	1	1	1	1	1	1	1	1
Lost Business	0	0	0	0	0	0	0	-1	0	0	0	0	0	0	0
Total Business	0	3	4	4	4	4	5	5	6	6	6	6	6	6	6

Assumptions:

Payroll tax	\$ (0.1)
CEO Salary/Quarter	\$ (20,000)
Director Salary/Quarter	\$ (16,250)
Coach Salary/Quarter	\$ (12,500)
HR Salary/Quarter	\$ (12,500)
Accounting Salary/Quarter	\$ (12,500)
Marketing Salary/Quarter	\$ (12,500)
Supply growth	0.02
New Regular Rate	0.12
New Premium Rate	0.05
Business Growth Rate	0.15
Commission %	0.11
Manager Salary/Year	\$ (60,000)

Item 5. Balance Sheet Year 1

	Year 1											
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Assets												
Current Assets												
Cash	\$ 3,205	\$ 4,268	\$ 5,087	\$ 5,958	\$ 6,883	\$ 7,866	\$ 8,911	\$ 10,021	\$ 11,200	\$ 12,453	\$ 13,784	\$ 15,197
Total Current Assets	\$ 3,205	\$ 4,268	\$ 5,087	\$ 5,958	\$ 6,883	\$ 7,866	\$ 8,911	\$ 10,021	\$ 11,200	\$ 12,453	\$ 13,784	\$ 15,197
Long Term Assets												
PPE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intangible Asset	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Total Long Term Assets	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Total Assets	\$ 23,205	\$ 24,268	\$ 25,087	\$ 25,958	\$ 26,883	\$ 27,866	\$ 28,911	\$ 30,021	\$ 31,200	\$ 32,453	\$ 33,784	\$ 35,197
Liabilities												
Current Liabilities												
Total Current Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Long Term Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Owners Equity												
Retained Earnings	\$ (1,795)	\$ (732)	\$ 87	\$ 958	\$ 1,883	\$ 2,866	\$ 3,911	\$ 5,021	\$ 6,200	\$ 7,453	\$ 8,784	\$ 10,197
Owners Investment	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Additional Investment	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Total Owners Equity	\$ 23,205	\$ 24,268	\$ 25,087	\$ 25,958	\$ 26,883	\$ 27,866	\$ 28,911	\$ 30,021	\$ 31,200	\$ 32,453	\$ 33,784	\$ 35,197
Total Liabilities and Owners Equity	\$ 23,205	\$ 24,268	\$ 25,087	\$ 25,958	\$ 26,883	\$ 27,866	\$ 28,911	\$ 30,021	\$ 31,200	\$ 32,453	\$ 33,784	\$ 35,197

Item 6. Balance Sheet Year 2

Year 2												
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12
Assets												
Current Assets												
Cash	\$ 16,279	\$ 20,654	\$ 25,165	\$ 29,821	\$ 34,634	\$ 39,616	\$ 44,777	\$ 50,133	\$ 55,696	\$ 61,482	\$ 67,507	\$ 73,789
Total Current Assets	\$ 16,279	\$ 20,654	\$ 25,165	\$ 29,821	\$ 34,634	\$ 39,616	\$ 44,777	\$ 50,133	\$ 55,696	\$ 61,482	\$ 67,507	\$ 73,789
Long Term Assets												
PPE	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Intangible Asset	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Total Long Term Assets	\$ 21,000	\$ 21,000	\$ 21,000	\$ 21,000	\$ 21,000	\$ 21,000	\$ 21,000	\$ 21,000	\$ 21,000	\$ 21,000	\$ 21,000	\$ 21,000
Total Assets	\$ 37,279	\$ 41,654	\$ 46,165	\$ 50,821	\$ 55,634	\$ 60,616	\$ 65,777	\$ 71,133	\$ 76,696	\$ 82,482	\$ 88,507	\$ 94,789
Liabilities												
Current Liabilities												
Total Current Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Long Term Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Owners Equity												
Retained Earnings	\$ 12,279	\$ 16,654	\$ 21,165	\$ 25,821	\$ 30,634	\$ 35,616	\$ 40,777	\$ 46,133	\$ 51,696	\$ 57,482	\$ 63,507	\$ 69,789
Owners Investment	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Additional Investment	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Total Owners Equity	\$ 37,279	\$ 41,654	\$ 46,165	\$ 50,821	\$ 55,634	\$ 60,616	\$ 65,777	\$ 71,133	\$ 76,696	\$ 82,482	\$ 88,507	\$ 94,789
Total Liabilities and Owners Equity	\$ 37,279	\$ 41,654	\$ 46,165	\$ 50,821	\$ 55,634	\$ 60,616	\$ 65,777	\$ 71,133	\$ 76,696	\$ 82,482	\$ 88,507	\$ 94,789

Item 7. Balance Sheet Years 3-5

	Year 3				Year 4				Year 5
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Assets									
Current Assets									
Cash	\$ 56,083	\$ 61,170	\$ 71,086	\$ 91,741	\$ 112,631	\$ 140,447	\$ 180,537	\$ 229,350	\$ 200,915
Total Current Assets	\$ 56,083	\$ 61,170	\$ 71,086	\$ 91,741	\$ 112,631	\$ 140,447	\$ 180,537	\$ 229,350	\$ 200,915
Long Term Assets									
PPE	\$ 6,000	\$ 6,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 23,000
Intangible Asset	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Total Long Term Assets	\$ 26,000	\$ 26,000	\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000	\$ 43,000
Total Assets	\$ 82,083	\$ 87,170	\$ 99,086	\$ 119,741	\$ 140,631	\$ 168,447	\$ 208,537	\$ 257,350	\$ 243,915
Liabilities									
Current Liabilities									
Total Current Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Long Term Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Owners Equity									
Retained Earnings	\$ 57,083	\$ 62,170	\$ 74,086	\$ 94,741	\$ 115,631	\$ 143,447	\$ 183,537	\$ 232,350	\$ 218,915
Owners Investment	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Additional Investment	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Total Owners Equity	\$ 82,083	\$ 87,170	\$ 99,086	\$ 119,741	\$ 140,631	\$ 168,447	\$ 208,537	\$ 257,350	\$ 243,915
Total Liabilities and Owners Equity	\$ 82,083	\$ 87,170	\$ 99,086	\$ 119,741	\$ 140,631	\$ 168,447	\$ 208,537	\$ 257,350	\$ 243,915

Item 8. Statement of Cash Flows Year 1

Year 1													
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	End Year 1
Beginning Balance	\$ -	\$ 3,205	\$ 4,268	\$ 5,087	\$ 5,958	\$ 6,883	\$ 7,866	\$ 8,911	\$ 10,021	\$ 11,200	\$ 12,453	\$ 13,784	\$ -
Operating Activities													
Net Income	\$ (1,795)	\$ 1,063	\$ 819	\$ 871	\$ 925	\$ 983	\$ 1,045	\$ 1,110	\$ 1,179	\$ 1,253	\$ 1,331	\$ 1,414	\$ 10,197
Net cash flow from operating activities	\$ (1,795)	\$ 1,063	\$ 819	\$ 871	\$ 925	\$ 983	\$ 1,045	\$ 1,110	\$ 1,179	\$ 1,253	\$ 1,331	\$ 1,414	\$ 10,197
Investing Activities													
PPE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased IP	\$ (20,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (20,000)
Net cash flow from investing activities	\$ (20,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (20,000)
Financing Activities													
Owners Investment	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000
Additional Investment	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,000
Net cash flow from financing activities	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,000
Net Cash Flow	\$ 3,205.0	\$ 1,063.0	\$ 819.2	\$ 870.6	\$ 925.2	\$ 983.2	\$ 1,044.7	\$ 1,110.0	\$ 1,179.3	\$ 1,252.8	\$ 1,330.8	\$ 1,413.5	\$ 15,197
Ending Balance	\$ 3,205	\$ 4,268	\$ 5,087	\$ 5,958	\$ 6,883	\$ 7,866	\$ 8,911	\$ 10,021	\$ 11,200	\$ 12,453	\$ 13,784	\$ 15,197	\$ 15,197

Item 9. Statement of Cash Flows Year 2

	Year 2												
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Month 11	Month 12	End Year 2
Beginning Balance	\$ 15,197	\$ 16,279	\$ 20,654	\$ 25,165	\$ 29,821	\$ 34,634	\$ 39,616	\$ 44,777	\$ 50,133	\$ 55,696	\$ 61,482	\$ 67,507	\$ 15,197
Operating Activities													
Net income	\$ 2,081	\$ 4,375	\$ 4,511	\$ 4,657	\$ 4,813	\$ 4,981	\$ 5,162	\$ 5,355	\$ 5,563	\$ 5,786	\$ 6,025	\$ 6,282	\$ 59,592
Net cash flow from operating activities	\$ 2,081	\$ 4,375	\$ 4,511	\$ 4,657	\$ 4,813	\$ 4,981	\$ 5,162	\$ 5,355	\$ 5,563	\$ 5,786	\$ 6,025	\$ 6,282	\$ 59,592
Investing Activities													
PPE	\$ (1,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,000)
Net cash flow from investing activities	\$ (1,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,000)
Financing Activities													
Owners Investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net cash flow from financing activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net cash flow	\$ 1,081	\$ 4,375	\$ 4,511	\$ 4,657	\$ 4,813	\$ 4,981	\$ 5,162	\$ 5,355	\$ 5,563	\$ 5,786	\$ 6,025	\$ 6,282	\$ 58,592
Ending Balance	\$ 16,279	\$ 20,654	\$ 25,165	\$ 29,821	\$ 34,634	\$ 39,616	\$ 44,777	\$ 50,133	\$ 55,696	\$ 61,482	\$ 67,507	\$ 73,789	\$ 73,789

Item 10. Statement of Cash Flows Year 3

	Year 3				Year 4				Year 5		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	End Year 4		
Beginning Balance	\$ 73,789	\$ 56,083	\$ 61,170	\$ 71,086	\$ 73,789	\$ 91,741	\$ 112,631	\$ 140,447	\$ 180,537	\$ 91,741	\$ 229,350
Operating Activities											
Net income	\$ (12,706)	\$ 5,087	\$ 11,916	\$ 20,655	\$ 24,952	\$ 20,890	\$ 27,816	\$ 40,091	\$ 48,812	\$ 137,608	\$ (13,435)
Net cash flow from operating activities	\$ (12,706)	\$ 5,087	\$ 11,916	\$ 20,655	\$ 24,952	\$ 20,890	\$ 27,816	\$ 40,091	\$ 48,812	\$ 137,608	\$ (13,435)
Investing Activities											
PPE	\$ (5,000)	\$ -	\$ (2,000)	\$ -	\$ (7,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (15,000)
Net cash flow from investing activities	\$ (5,000)	\$ -	\$ (2,000)	\$ -	\$ (7,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (15,000)
Financing Activities											
Owners investment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net cash flow from financing activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net cash flow	\$ (17,706)	\$ 5,087	\$ 9,916	\$ 20,655	\$ 17,952	\$ 20,890	\$ 27,816	\$ 40,091	\$ 48,812	\$ 137,608	\$ (28,435)
Ending Balance	\$ 56,083	\$ 61,170	\$ 71,086	\$ 91,741	\$ 91,741	\$ 112,631	\$ 140,447	\$ 180,537	\$ 229,350	\$ 229,350	\$ 200,915

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